FISCAL NOTE

TO: Chief Clerk of the Senate
            Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 6, 1996

SUBJECT: **SB 2894 - HB 2701**

This bill, if enacted, will require that local education agencies (LEAs) employ one elementary guidance counselor for every 500 students in average daily attendance in grades k-8.

Present law requires LEAs to employ one guidance counselor for every 500 students in average daily attendance in grades one and two.

The fiscal impact from enactment of this bill is estimated to be an increase in local government* expenditures of approximately $14 million. This estimate is based on the following:

1. The 1994-95 average daily attendance (ADA) in grades k-8 was 587,988.

2. If LEAs must employ one guidance counselor per 500 students, then 587,988 ADA will require 1,176 elementary guidance counselors.

3. For the 1994-95 school year, LEAs employed 784 elementary guidance counselors and 51 elementary/secondary guidance counselors.

4. Assuming that all the elementary/secondary counselors are in grades 7-8, there are a total of 835 counselors employed for grades k-8, which will require the employment of an additional 341 counselors.

5. Using an average instructional salary of $33,724 plus benefits of 25%, this will require a total increase in local government expenditures of $14,374,855.

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The BEP formula currently contains a component that produces funding for one counselor for every 500 ADM in grades k-6 and one counselor for every 350 ADM in grades 7-12. However, there is no requirement that LEAs use funds generated in this area to hire counselors.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*